

PRIVATE SECRETARY, INC.
Form 10-Q
April 29, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: March 31, 2011

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 333-156421

PRIVATE SECRETARY, INC.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of incorporation or organization)

26-3062661
(I.R.S. Employer Identification No.)

112 North Curry Street, Carson City, NV 89703-4934
(Address of principal executive offices) (Zip Code)

(775) 284-3709
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file

such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

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Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of April 19, 2011, the registrant had 10,320,000 shares of common stock, \$0.001 par value, issued and outstanding.

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PRIVATE SECRETARY, INC.
(A Development Stage Company)

CONDENSED FINANCIAL STATEMENTS

March 31, 2011

Unaudited

CONDENSED BALANCE SHEETS

CONDENSED STATEMENTS OF OPERATIONS

CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

CONDENSED STATEMENTS OF CASH FLOWS

NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

PRIVATE SECRETARY, INC.
(A Development Stage Company)

CONDENSED BALANCE SHEETS
(Unaudited)

	March 31, 2011	September 30, 2010 (Audited)
ASSETS		
CURRENT ASSETS		
Cash	\$65	\$158
Prepaid Expenses	438	-
TOTAL CURRENT ASSETS	\$503	\$158
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$15,885	\$16,818
Loans from Related Party	\$12,397	7,107
TOTAL CURRENT LIABILITIES	\$28,282	\$23,925
STOCKHOLDERS' EQUITY (DEFICIT)		
Capital stock		
Authorized		
75,000,000 shares of common stock, \$0.001 par value,		
Issued and outstanding		
10,320,000 at March 31, 2011 (10,000,000 at Sept 30, 2010) common shares	\$10,320	\$10,320
Additional Paid in Capital	6,080	6,080
Subscription Receivable on 320, 000 common shares	-	(6,400)
Deficit accumulated during the development stage	(44,179)	(33,767)
TOTAL STOCKHOLDERS' EQUITY/(DEFICIT)	\$(27,779)	\$(23,767)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)	\$503	\$158

The accompanying notes are an integral part of these financial statements

PRIVATE SECRETARY, INC.
(A Development Stage Company)

CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31, 2011	Three months ended March 31, 2010	6 months ended March 31, 2011	6 months ended March 31, 2010	Cumulative results from inception (July 22, 2008) to March 31, 2011
REVENUE					
Revenues	\$-	\$-	\$-	-	\$-
Total Revenues	\$-	\$-	\$-	-	\$-
EXPENSES					
Office and general	\$360	\$435	\$3,599	517	\$8,504
Professional Fees	3,438	3,250	6,813	4,750	35,675
Total Expenses	\$3,798	\$3,685	\$10,412	5,267	\$44,179
Provision for Income Tax	-	-	-	\$-	\$-
NET LOSS, BEFORE INCOME TAX	\$(3,798)	\$(3,685)	\$(10,412)	\$(5,267)	(44,179)
BASIC AND DILUTED LOSS PER COMMON SHARE	\$-	\$-	\$-	\$-	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	10,320,000	10,000,000	10,320,000	10,000,000	

The accompanying notes are an integral part of these financial statements

PRIVATE SECRETARY, INC.
(A Development Stage Company)

CONDENSED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT)
(Unaudited)

	Common Stock		Additional Paid-in Capital	Share Subscriptions Receivable	Deficit accumulated during the development stage	Total
	Number of shares	Amount				
Balance at inception - July 22, 2008	-	-	-	-	-	-
Common stock issued for cash at \$0.001 per share on July 22, 2008	10,000,000	\$ 10,0000	\$-	\$ (10,000)	\$ -	-
Net loss for the period from inception to September 30, 2008					-	-
Balance, September 30, 2008	10,000,000	\$ 10,0000	\$-	\$ (10,000)	\$ -	-
Subscription Received in November, 2008				10,000		10,000
Net loss for the year ended September 30, 2009	-	-	-	-	(17,332)	(17,332)
Balance, September 30, 2009	10,000,000	\$ 10,0000	\$-	\$ -	\$ (17,332)	\$(7,332)
Common stock issued for Subscription Receivable in Aug/Sept 2010 at \$0.02 per share	320,000	3200	6,080	(6,400)		-
Net loss for the year ended September 30, 2010	-	-	-	-	(16,435)	(16,435)
Balance, September 30, 2010	10,320,000	\$ 10,3200	\$6,080	\$ (6,400)	\$ (33,767)	\$(23,767)
Subscription Received in October 2010				6,400		6,400
Net loss for the period ended March 31, 2011	-	-	-	-	(10,412)	(10,412)

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Balance, March 31, 2011	10,320,000	\$ 10,3200	\$6,080	\$ -	\$ (44,179)	\$ (27,779)
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The accompanying notes are an integral part of these financial statements

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PRIVATE SECRETARY, INC.
(A Development Stage Company)

CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	6 months ended March 31, 2011	6 months ended March 31, 2010	July 22, 2008 (date of inception) to March 31, 2011
OPERATING ACTIVITIES			
Net loss	\$(10,412)	\$(5,267)	\$(44,179)
Adjustment to reconcile net loss to net cash used in operating activities			
Expenses paid on company's behalf by related party	3,000	-	3,107
(Increase) decrease in prepaid expenses	(438)	-	(438)
Increase (decrease) in accrued expenses	\$(933)	\$1,250	\$15,885
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$(8,783)	\$(4,017)	\$(25,625)
FINANCING ACTIVITIES			
Proceeds from sale of common stock	-	-	16,400
Subscription Receivable	6,400	-	-
Loan from related party	2,290	7,075	9,290
NET CASH PROVIDED BY FINANCING ACTIVITIES	\$8,690	\$7,075	\$25,690
NET INCREASE (DECREASE) IN CASH	\$(93)	\$3,058	\$65
CASH, BEGINNING OF PERIOD	\$158	\$668	\$-
CASH, END OF PERIOD	\$65	\$3,726	\$65
Supplemental cash flow information and noncash financing activities:			
Cash paid for:			
Interest	\$-	\$-	\$-
Income taxes	\$-	\$-	\$-

The accompanying notes are an integral part of these financial statements

PRIVATE SECRETARY, INC.
(A Development Stage Company)
NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

March 31, 2011

NOTE 1 – CONDENSED FINANCIAL STATEMENTS

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at March 31, 2011, and for all periods presented herein, have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's September 30, 2010 audited financial statements. The results of operations for the periods ended March 31, 2011 and the same period last year are not necessarily indicative of the operating results for the full years.

NOTE 2 – GOING CONCERN

The Company's financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. Currently, the Company has a working capital deficit of \$27,779, an accumulated deficit of \$44,179 and net loss from operations since inception of \$44,179. The Company does not have a source of revenue sufficient to cover its operation costs giving substantial doubt for it to continue as a going concern. The Company will be dependent upon the raising of additional capital through placement of our common stock in order to implement its business plan, or merge with an operating company. There can be no assurance that the Company will be successful in either situation in order to continue as a going concern. The Company is funding its initial operations by way of issuing Founder's shares.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management's plan is to obtain such resources for the Company by obtaining capital from management and significant shareholders sufficient to meet its minimal operating expenses and seeking equity and/or debt financing. However management cannot provide any assurances that the Company will be successful in accomplishing any of its plans.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

PRIVATE SECRETARY, INC.
(A Development Stage Company)
NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

March 31, 2011

NOTE 3 – LOAN PAYABLE – RELATED PARTY LOANS

The company has received \$12,397 as a loan from a related party as of March 31, 2011. The loan is due on demand and without interest.

NOTE 4 – PREPAID EXPENSES

The Company has Prepaid Legal Expenses in the amount of \$438 at March 31, 2011 as compared to \$0 at September 30, 2010. These expenses are being expensed equally over 12 months.

NOTE 5 - SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the balance sheet date through the date the financial statements were available to be issued and has determined that there are no further events to disclose.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This section of this report includes a number of forward-looking statements that reflect our current views with respect to future events and financial performance. Forward looking statements are often identified by words like: believe, expect, estimate, anticipate, intend, project and similar expressions or words which, by their nature, refer to future events. You should not place undue certainty on these forward-looking statements, which apply only as of the date of this report. These forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or our predictions.

Overview

Private Secretary, Inc. ("Private Secretary", "the Company", "our" or "we") was incorporated in the State of Nevada as a for-profit company on July 22, 2008. The Company is a development stage company that plans to enter into the software market with a program that will allow for automatic call processing through VoIP technology.

Plan of Operation

The Company has not yet generated any revenue from its operations. As of the fiscal quarter ended March 31, 2011 we had \$65 of cash on hand. We incurred operating expenses in the amount of \$3,798 in the quarter ended March 31, 2011. We incurred operating expenses in the amount of \$3,685 in the fiscal quarter ended March 31, 2010. Since inception we have incurred operating expenses of \$44,179.

Our current cash holdings will not satisfy our liquidity requirements and we will require additional financing to pursue our planned business activities. We have registered 4,000,000 of our common stock for sale to the public. Our registration statement became effective on June 11, 2010 and we are in the process of seeking equity financing to fund our operations over the next 12 months.

Management believes that if subsequent private placements are successful, we will generate sales revenue within the following twelve months thereof. However, additional equity financing may not be available to us on acceptable terms or at all, and thus we could fail to satisfy our future cash requirements.

If Private Secretary is unsuccessful in raising the additional proceeds through a private placement offering it will then have to seek additional funds through debt financing, which would be very difficult for a new development stage company to secure. Therefore, the company is highly dependent upon the success of the anticipated private placement offering described herein and failure thereof would result in Private Secretary having to seek capital from other resources such as debt financing, which may not even be available to the company. However, if such financing were available, because Private Secretary is a development stage company with no operations to date, it would likely have to pay additional costs associated with high risk loans and be subject to an above market interest rate. At such time these funds are required, management would evaluate the terms of such debt financing and determine whether the business could sustain operations and growth and manage the debt load. If Private Secretary cannot raise additional proceeds via a private placement of its common stock or secure debt financing it would be required to cease business operations. As a result, investors in Private Secretary common stock would lose all of their investment.

Over the 12 month period after we have raised enough funds, we intend to start the design and production of its software. Within 90 days, the Company intends to begin its recruit of software writers and developers. Primarily Private Secretary should explore technical schools and colleges for young, eager students who are interested in putting

their newly learned skills to work. The Company also intends to advertise through the Internet and popular software sites as part of the recruitment process.

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The Company also projects to begin development of the website. This should become an extremely important tool both for the marketing and eventual distribution of the software. Initially, the website projects to be set up to begin promoting the software and outlining its benefits and the benefits of using VoIP over conventional phone lines.

Within 180 days after we have raised enough funds, the Company expects to prepare all legal contracts for execution between the software writers and the Company. Lawyers will be hired to work out the contractual details, primarily to help determine how the software developers will be compensated for their services. The contracts will also be drafted to protect both the software writers and Private Secretary from any competition and privacy violations. It will be essential that the software developer is aware that their work is ultimately the property of Private Secretary and may not be reproduced for any other Company. Once an agreement is signed, the first step for the developers will be to begin writing the software and produce a useable version that can be demonstrated on the Company's website and also used in test applications with various companies.

270 days after we have raised enough funds, the Company expect to partner with computer sellers and software distribution companies to begin selling hard copies of the product. This will require that the Company also begins contract negotiations with a printing house to print the point of sale product. Investigation into online software download sites will also be done as well as changing the website to allow for direct online purchase of the software. The lawyer's services will be required yet again to ensure that all agreements set up between Private Secretary and the various distribution and printing houses meet expectations of all parties involved.

Once the software is written, printing of the hard copies is underway, and the important legal obligations have been met, Private Secretary will put extra focus into marketing and advertising of the new software. A year after we have raised enough funds, the Company expects to begin heavily promoting the product. It is important to showcase the software to the computer world, and to be present at all major trade shows in North America that promote internet solutions, such as VoIP, and the benefits it has to enhancing workplace efficiency. The product should also be heavily market tested through existing companies. The feedback from this testing intends to provide useful information for product upgrades and developments, and testimonials expect also to be placed on the Company's website as well as on software download websites where the product is available for purchase.

Finally, once the product is in its final stages of development, the website intends to be further enhanced as a marketing tool and should provide additional advertising. The website address should also be printed on all hard copies of the software, so it could be used as an outlet for feedback from businesses. This information should be collected and used in the further development of any additional software and upgrades.

We do not currently have any employees and management does not plan to hire employees at this time. We do not expect the purchase or sale of any significant equipment and has no current material commitments.

Capital Resources

If Private Secretary is unsuccessful in raising the additional proceeds through a private placement offering it will then have to seek additional funds through debt financing, which would be highly difficult for a new development stage company to secure. Therefore, the company is highly dependent upon the success of the anticipated private placement offering and failure thereof would result in Private Secretary having to seek capital from other sources such as debt financing, which may not even be available to the company. However, if such financing were available, because Private Secretary is a development stage company with no operations to date, it would likely have to pay additional costs associated with high risk loans and be subject to an above market interest rate. At such time these funds are required, management would evaluate the terms of such debt financing and determine whether the business could sustain operations and growth and manage the debt load. If Private Secretary cannot raise additional proceeds via a private placement of its common stock or secure debt financing it would be required to cease business operations. As a result, investors in Private Secretary common stock would lose all of their investment.

Off Balance Sheet Arrangement

The company is dependent upon the sale of its common shares to obtain the funding necessary to carry its business plan. Our President, Maureen F. Cotton has undertaken to provide the Company with operating capital to sustain its business over the next twelve month period, as the expenses are incurred, in the form of a non-secured loan. However, there is no contract in place or written agreement securing these agreements. Investors should be aware that Mrs. Cotton expression is neither a contract nor agreement between her and the company.

Other than the above described situation the Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not required.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Based upon an evaluation of the effectiveness of disclosure controls and procedures, our principal executive and financial officer has concluded that as of the end of the period covered by this Quarterly Report on Form 10-Q our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act) were not effective. The Company's principal executive and financial officer has determined that there are material weaknesses in our disclosure controls and procedures.

The material weaknesses in our disclosure control procedures are as follows:

1. Lack of formal policies and procedures necessary to adequately review significant accounting transactions. The Company utilizes a third party independent contractor for the preparation of its financial statements. Although the financial statements and footnotes are reviewed by our management, we do not have a formal policy to review significant accounting transactions and the accounting treatment of such transactions. The third party

independent contractor is not involved in the day to day operations of the Company and may not be provided information from management on a timely basis to allow for adequate reporting/consideration of certain transactions.

2. Audit Committee and Financial Expert. The Company does not have a formal audit committee with a financial expert, and thus the Company lacks the board oversight role within the financial reporting process.

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We intend to initiate measures to remediate the identified material weaknesses including, but not necessarily limited to, the following:

- Establishing a formal review process of significant accounting transactions that includes participation of the Chief Executive Officer, the Chief Financial Officer and the Company's corporate legal counsel.
- Form an Audit Committee that will establish policies and procedures that will provide the Board of Directors a formal review process that will among other things, assure that management controls and procedures are in place and being maintained consistently.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is not a party to any pending legal proceedings, and no such proceedings are known to be contemplated.

No director, officer, or affiliate of the issuer and no owner of record or beneficiary of more than 5% of the securities of the issuer, or any security holder is a party adverse to the small business issuer or has a material interest adverse to the small business issuer.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None

Item 4. (Removed and Reserved)

Item 5. Other Information

None

Item 6. Exhibits

3.1 Articles of Incorporation [1]

3.2 By-Laws [1]

31.1 Rule 13(a)-14(a)/15(d)-14(a) Certification of Chief Executive Officer

31.2 Rule 13(a)-14(a)/15(d)-14(a) Certification of Chief Financial Officer *

32.1 Section 1350 Certification of Chief Executive Officer **

32.2 Section 1350 Certification of Chief Financial Officer **

[1] Incorporated by reference from the Company's filing with the Commission on December 23, 2008.

* Included in Exhibit 31.1

** Included in Exhibit 32.1

SIGNATURES

Pursuant to the requirements of the Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Private Secretary, Inc.

BY: /s/ Maureen F. Cotton
Maureen F. Cotton
President, Secretary Treasurer, Principal Executive Officer,
Principal Financial Officer

Dated: April 29, 2011

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